

**Kalamazoo Public Library  
OFFICIAL MINUTES OF THE BOARD OF TRUSTEES  
REGULAR SESSION**

DATE: May 22, 2006  
TIME: 4:00 p.m.  
LOCATION: Central Library  
Board Room  
315 S. Rose Street  
Kalamazoo, MI 49007

President Godfrey called the meeting to order at 4:00 p.m.

**PRELIMINARY BUSINESS**

Roll Call: All trustees were present: Cynthia Addison, Donald Brown, Robert Brown, Loren Dykstra, Lisa Godfrey, James VanderRoest and Valerie Wright.

Approval of Agenda: The agenda was approved as presented.

**I. RECOGNITIONS, RESOLUTIONS, COMMUNICATIONS**

**A. Resolution to Authorize a Public Budget Hearing on June 19, 2006**

**Recommendation:** The director recommended the board adopt a resolution authorizing a public hearing on the 2006/2007 proposed budget.

**MOTION:** R. BROWN MOVED AND J. VANDERROEST SUPPORTED ADOPTION OF THE RESOLUTION AS PRESENTED.

**Discussion:** It was noted the date mentioned for the hearing in the resolution document was inaccurate. R. Brown and J. VanderRoest agreed to an amendment to the motion to correct the date to June 19, 2006.

**Roll Call Vote:** L. Dykstra – yes; J. VanderRoest – yes; R. Brown – yes; V. Wright; D. Brown – yes; C. Addison – yes; L. Godfrey – yes.



**Motion carried 7-0.**

**B. Resolution to Continue Educational Cash Account from Wachovia Securities**

**Recommendation:** The director recommended the board adopt a resolution authorizing officers to sign an agreement with Wachovia Securities to continue the account used to receive gifts of stocks and/or bonds to Kalamazoo Public Library.

**MOTION:** C. ADDISON MOVED AND L. DYKSTRA SUPPORTED ADOPTION OF THE RESOLUTION AS PRESENTED.

Executive  
Summary:

In August of 2000 we established an “Educational Cash Account” with Prudential Securities for the express purpose of transferring gifts of stock to the library and converting them into cash. The account is used strictly for that purpose; balances of

neither stock nor cash are held for any appreciable length of time, consistent with both our legal and investment policy requirements.

Prudential Securities was subsequently sold. Our account has been transferred to Wachovia Securities. They are requiring board authorization to continue this educational cash account.

**Roll Call Vote:** **L.Dykstra – yes; J. VanderRoest – yes; R. Brown – yes; V. Wright; D. Brown – yes; C. Addison – yes; L. Godfrey – yes.**



**Motion carried 7-0.**

## **II. PERSONS REQUESTING TO ADDRESS THE BOARD**

President Godfrey introduced Donna Grath, one of the two new Friends of KPL representatives who will be attending KPL board meetings.

## **III. CONSENT CALENDAR**

- A. Minutes of the April 24, 2006 Regular Meeting
- B. Personnel Item

### **New hire:**

**Caitlin Hoag** was hired for the .75 KPLA Library Associate position primarily assigned to the Law Library within Adult Services effective June 1, 2006. Ms. Hoag began at KPL as a library aide assigned to Loan Services and Children's Room in 2001. For the past three years she has worked as an intern in Adult Services. During that time she has worked on the Law Library public service desk and assisted with law library programming.

Disposition: The board accepted the Minutes of the Meeting of April 24, 2006 and the Personnel Item as presented.

## **IV. FINANCIAL REPORTS**

- A. Financial Reports for the Month Ending April 30, 2006

**Recommendation:** **A. Rohrbaugh recommended the board accept the Financial Reports for the Month Ending April 30, 2006 as presented.**

Executive  
Summary:

Director Rohrbaugh noted Kalamazoo Community Foundation quarterly fund activity reports were included and the Sources and Uses of Funds – General Pooled Funds report reflects two principal and interest payments made on the 1996 and 2002 facility bonds.

**MOTION:** **R. BROWN MOVED AND V. WRIGHT SUPPORTED ACCEPTANCE OF THE FINANCIAL REPORTS FOR THE MONTH ENDING APRIL 30, 2006 AS RECOMMENDED.**



**Motion carried 7-0.**

- B. Preliminary Budget Total Compensation Reserve Report

**Presentation:** Diane Schiller, Head of Finance and Budget, reviewed for the board the purpose and content of line item 44 in the expenditure section of the preliminary expenditure budget for “undistributed total compensation reserve.” This is a pool of budgeted but not yet

allocated funds to pay for increases in employee fringe benefits, steps and if there is money left, raises for all library employees. Within the total, smaller pools are established by employee group, all based on the same percent of increase in the property tax rate. At this point in the year not all fringe benefits costs are known; when they are known, the actual

cost increases will be calculated, step increases calculated and remaining funds, if any will be allocated to salary increases. These increases are dictated by union contract for represented employees. Administrative and supervisory-technical employees receive raises, when funds are available, based on a merit factor. The board approves the compensation pools for these two groups. In the fall when the budget is revised, the amounts will be distributed among the appropriate line items. Usually about half the amount approved is available for the components of salary.

This year the Preliminary Budget predicted an expected 4.5% increase in the growth in taxable value. That is what the Finance & Budget committee reviewed earlier in the month. Since that meeting the final figures are now known and it is good news, the increase is actually 5.59%. J. VanderRoest, Chair of the Finance & Budget Committee, authorized management to make tentative changes to the budget to reflect that increase to be brought to the board meeting. D. Schiller provided written documentation to the board of the resulting changes made to salary line items.

Disposition: The board received and thanked D. Schiller for the report.

## **V. REPORTS AND RECOMMENDATIONS**

### Action Items

A. A - C. Budgets

**Recommendation:** Director Rohrbaugh recommended the board take the following actions:

**A. Receive for review the “General Operating Budget Preliminary Budget for Fiscal Year Ending June 30, 2007.”**

**B. Receive the “Capital Improvement Plan for the Three Year Period Ending June 30, 2007.”**

**C. Approve the Preliminary “Other Funds Budget for Fiscal Year Ending June 30, 2007” and revisions for the “Other Funds Budget for Fiscal Year Ending June 30, 2006.”**

Executive  
Summary:

The Preliminary Operating Budget for the coming fiscal year and the Capital Improvement Plan through fiscal year 2007-2008 have been reviewed and endorsed by the Finance and Budget Committee and will be brought back to the board for official approval at the June 19, 2006 meeting.

The Finance and Budget Committee has reviewed and recommends both the Preliminary Other Funds Budget for fiscal year 2007-2008 and the Close Estimate Other Funds Budget Revision for Fiscal Year 2005-2006 to the board for approval.

#### A. General Operating Budget Preliminary Budget for Fiscal Year Ending June 30, 2007

Kalamazoo Public Library’s fiscal year 2006-2007 tax revenue project is based upon a maximum millage rate of 3.9583 mills and a reported taxable value growth of 5.59% for the district over fiscal year 2005-2006. The 5.59% growth for the district includes a state established inflation rate of 3.3%.

The overall Preliminary budget for fiscal year 2006-2007 projects a net deficiency of revenue and other sources over expenditures of \$143,958, resulting in a net use of unreserved fund balance of \$243,958 after the addition of reserves for operational cash flow from the beginning of the fiscal year until the December tax levy. It is anticipated that the reduction in unreserved fund balance will be completely restored after the results of fiscal year 2005-2006 are complete and budgetary reserves are released. The Total Ending Fund Balance projected as of the end of the Preliminary Budget for 2006-2007 is \$2,895,802.

Primary impacts to expenditure projections for the year include an estimated 12% increase in medical insurance costs, an increase for 16.34% to 17.74% in the Michigan Public School Employees Retirement System contribution rate, the increase in energy and petroleum based product costs, and programming and materials directed toward patron services. A. Rohrbaugh provided trustees with more detail on a number of the budget's line items.

B. Capital Improvement Plan for the Three Year Period Ending June 30, 2007

It is the current policy to capitalize items costing at least \$1500. Items are not necessarily capitalized if they are in the Capital Improvement Plan unless they meet that threshold. Major items in the CIP include funding for first floor projects at Central, security camera system for Powell, carpeting replacement at central and automation expenditures for server and other equipment replacement.

J. VanderRoest commented the Finance & Budget Committee studied these budgets at length.

C. Other Funds Budget for Fiscal Year Ending June 30, 2007 and revisions for the Other Funds Budget for Fiscal Year Ending June 30, 2006.

A. Rohrbaugh indicated these budgets do not need to go to public hearing prior to approval and recommended approval.

**MOTION:**

**R. BROWN MOVED AND V. WRIGHT SUPPORTED A MOTION TO APPROVE THE OTHER FUNDS BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2007 AND REVISIONS FOR THE OTHER FUNDS BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2006 AS REQUESTED.**



**Motion carried 7-0.**

D. 2006/2007 Total Compensation Pools for Non-Represented Staff

**Recommendation: A. Rohrbaugh recommended board approval of a total compensation pool not to exceed \$ 83,000 to be used to adjust Administrator\* and Supervisory/Technical total compensation for fiscal year 2006/2007, divided as shown below:**

**Supervisory/Technical: \$45,000**  
**Administrator: \$38,000**

\*The director is not included.

**Executive  
Summary:**

These pools are based on known rate changes for retirement and estimated increases in all other elements of total compensation. The pools established should allow for total compensation growth for non-represented employees equal to the assumed growth in taxable value of 5.59%, and merit increases for eligible employees.

The Finance and Budget Committee reviewed this recommendation as part of its budget deliberations and supports this plan.

**MOTION:**

**R. BROWN MOVED AND V. WRIGHT SUPPORTED THE MOTION TO APPROVE THE RECOMMENDATION FOR 2006/2007 TOTAL COMPENSATION POOLS FOR NON-REPRESENTED EMPLOYEES AS RECOMMENDED.**

**Discussion:**

L. Godfrey indicated this is what has been done for non-represented staff historically. A. Rohrbaugh explained most of the fringe benefits costs are known but not all. It is expected there will be about a 50-50 split between increases in costs and what is available for salary increases.



**Motion carried 7-0.**

E. Eleanor Mary Mason Bequest

Recommendation: **A. Rohrbaugh recommended the bequest from the estate of Eleanor Mary Mason be added to the Kalamazoo Public Library Endowment Fund.**

Executive  
Summary:

In early April we were notified we were to receive a bequest from Eleanor Mary Mason along with the Nature Conservancy in Arlington, VA, and the Enoch Pratt Free Library in Baltimore, MD. We have since received a check for \$180,000 with a final distribution to be made later. The bequest is to be used for “general uses and purposes.”

Our endowment fund is currently in the third year of our initial five-year investment period. After five years, our policy provides the board the option of using the income generated by the principal for library purposes. As our financial advisor reported at the last board meeting, there is currently about \$450,000 of this type of funds available. Adding this bequest to the principal trust investment will increase our ability to fund future projects.

Adding this money to the endowment will generate a better rate of return than saving it within our regular accounts. We could then look to the endowment as a possible source to fund a new bookmobile or a replacement integrated library system. (ILS) It is also consistent with the “Resolution Establishing the Kalamazoo Public Library Endowment Fund.”

**MOTION: J. VANDERROEST MOVED AND L. DYKSTRA SUPPORTED THE MOTION TO ADD THE BEQUEST FROM THE ESTATE OF ELEANOR MARY MASON TO THE KALAMAZOO PUBLIC LIBRARY ENDOWMENT FUND.**

Discussion: L. Godfrey reminded the board that when the endowment fund was established two committees were created: one to monitor the fund and the other to oversee the expenditure of monies. Now that we have some history, it might be time to review the assignments of the two committees and how they are structured and how we might deal with the endowment fund.

In response to a question from R. Brown about what can be deposited in the endowment fund, it was thought we could not deposit operational money there, but any unrestricted gifts could be added to the fund. We have not historically put small gifts there, but that could be considered.

In response to a question from L. Dykstra, the board was assured Ms. Mason’s name will be engraved on a glass plate and added to the “Benefactor” section (for gifts between \$100,000 and \$999,000) on the library’s “Wall of Honor.”



**Motion carried 7-0.**

Reports

F. 2006 Reading Together Program

Presentation: Ed Martini, Associate Professor at WMU, Sherry Ransford, Chair of the English Dept. for Kalamazoo Central High School and Mike Cooper, retired school principal and Viet Nam Veteran, who were all on the Reading Together steering committee for the 2006 program, were introduced by Joan Hawxhurst, Coordinator of Reader Services. All three spoke movingly of their involvement and experiences with the program.

J. Hawxhurst distributed a written report to trustees. Attendance at events doubled from last year’s program. Media coverage was very good. There were 102,000 hits on the Reading Together website. 2700 people filled Miller Auditorium to hear Tim O’Brien, author of The Things They Carried. The book and its subject of Viet Nam war experiences reached people at a deeper level than in the past and elicited a powerful response. The predominant reason

this year was so successful was the involvement of the community in every aspect of the program.

The 2007 selection process is underway. 88 titles were suggested. It was decided to choose the book in the spring this year to give educational folks more time to plan ahead to be able to involve more students and to facilitate programming and promotion.

J. Hawxhurst said very few places have a salaried person dedicated to their community read program; KPL's program is looked at from around the country as a model. She is honored to be part of the program and appreciates the board's support.

Disposition: Trustees thanked J. Hawxhurst for the report.

G. 2006/2007 Tactical Plan

Presentation: A. Rohrbaugh presented the Tactical Plan for July 1, 2006 – June 30, 2007 for board member information. This year there were two major changes in the plan: the timing was changed from the calendar year to the fiscal year to align our tactical plan with our budget planning and adoption, and ongoing items or tasks have been dropped from the tactical plan and moved into departmental work plans which reflect the basic work of the department.

The five goals remain the same. The strategic objectives under each goal list the emphases on projects for the year to carry out that goal. In the future we may refine it further by including only major objectives. This year's plan includes objectives that are major in terms of staff time and financial resources and others that are less involved in staff time and cost or in complexity. All objectives are not "equal" in those regards, but all are thrusts for the upcoming year.

Discussion: L. Dykstra suggested targeting Kalamazoo residents who commute to work for promotion of audio books. A. Rohrbaugh said commuters are heavy users of that format and agreed as we look at new technologies, we have a marketing opportunity.

Disposition: Trustees received the information.

## **VI. COMMITTEE REPORTS**

### Finance & Budget Committee

J. VanderRoest said the committee had nothing further to report in addition to its work on the budgets.

### Personnel Committee

C. Addison said the board would conduct an evaluation of the director during a closed session, at her request,

## **VII. OTHER BUSINESS**

### A. Directors Report

A. Rohrbaugh told trustees two library aides, Sonita Moss and Lolita Moss, were nominated by Kevin King, Teen Librarian, and named YWCA "Young Women of Achievement," which was announced at the recent annual YWCA banquet.

KPL called a meeting of local agencies whose address is used for patrons without a permanent address. Representatives attended from Bethany House, Salvation Army, Housing Resources, Ministry with Community, Academy Hall, Health Care for the Homeless, and Gospel Mission. We reviewed current procedures and made some minor adjustments. All of the agencies were very appreciative and complimentary of the KPL services provided to their clients. It was a good networking opportunity for the agencies as well as KPL to discuss some shared issues.

Non-cardholders, both local and out of town, are eligible for a guest card to use our computers for thirty minutes per day. (Cardholders are eligible for two hours per day.) We have reconsidered that time limit and will double it to sixty minutes per day at Central library beginning June 1. The branches will remain the same, that is, thirty minutes. There are not enough computers in the branches to permit an increase in time; this is primarily a space issue and is also limited by available ports.

President Godfrey encouraged people to spread the word that KPL is a quarterly Art Hop site. We have participation by local artists, including KPL staff, refreshments and usually live music.

### **XIII. PERSONS REQUESTING TO ADDRESS THE BOARD**

No one addressed the board.

### **IX. TRUSTEE COMMENTS**

**J. VanderRoest** asked why some new titles seem to be available only as “hot picks.” He also commented he did not like “The Things They Carried,” the title chosen this year for Reading Together, but was pleased to see community reaction and participation in the many events of the program.

**A. Rohrbaugh** explained we get the hot picks from our new materials vendor, B & T. Most other materials are still being ordered from Brodart, which is slow in filling our orders. Soon the ordering of most books will be changed over to B & T, and this problem should disappear.

**V. Wright** said she has talked in previous meetings enough about the Reading Together program, but said it was “powerful.”

**D. Brown** said he thoroughly enjoyed the Nancy Pearl presentation.

**C. Addison** also appreciated Nancy Pearl’s visit. She said she also was disappointed with the Reading Together book choice but was pleased to have been proved wrong as evidenced by all the wonderful events and experiences that are continuing even now. It has been exciting to be a part of this program.

**L. Godfrey** added the Friends annual luncheon, featuring a talk by Nancy Pearl, was very enjoyable as always, and encouraged trustees to attend next year. The Friends provide important financial and moral support for KPL. Their 10 years as an independent bookstore on the lower level of central library have been a tremendous success.

### **X. EXECUTIVE SESSION**

**MOTION: J. VANDERROEST MOVED AND D. BROWN SUPPORTED THE MOTION TO MOVE TO EXECUTIVE SESSION TO CONDUCT THE DIRECTOR’S ANNUAL EVALUATION.**

**Roll Call Vote: L. Dykstra – yes; J. VanderRoest – yes; R. Brown – yes; V. Wright – yes; D. Brown – yes; C. Addison –yes; L. Godfrey – yes.**



**MOTION CARRIED 7-0.**

The meeting moved to executive session at 5:55 p.m.

**MOTION: J. VANDERROEST MOVED AND D. BROWN SUPPORTED THE MOTION TO RETURN TO PUBLIC SESSION.**

**Roll Call Vote:** L. Dykstra – yes; J. VanderRoest – yes; R. Brown – yes; V. Wright – yes; D. Brown – yes; C. Addison –yes; L. Godfrey – yes.



**MOTION CARRIED 7-0.**

The meeting returned to public session at 6:33 p.m.

**MOTION:** J. VANDERROEST MOVED AND C. ADDISON SUPPORTED THE MOTION TO INCREASE THE DIRECTOR'S TOTAL COMPENSATION PACKAGE BY 8% FOR THE YEAR BEGINNING JULY 1, 2006. WE WISH TO BE UNDERSTOOD THAT THIS INCREASE REFLECTS OUR GREAT PLEASURE IN THE DIRECTOR'S PERFORMANCE AND ADMIRATION FOR WHAT SHE HAS BROUGHT TO THE POSITION. WE ALSO WANT TO ENSURE THAT WE ARE PRACTITIONERS OF PAY EQUITY.



**MOTION CARRIED 7-0.**

## **XI. ADJOURNMENT**

Hearing no objections, President Godfrey adjourned the meeting of the Kalamazoo Public Library Board of Trustees at 6:35 p.m.

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Valerie Wright, Acting Secretary